



COVID-19 Update at AMI: Measures Taken to Prevent Supply Disruptions

March 17, 2020 (Sparks, MD) - As most are aware, the Coronavirus (COVID-19) outbreak has had a significant impact on the global community. The highest priority of Active Minerals International, LLC (AMI) is the health, safety and well-being of our employees, customers, and partners and maintaining supply of products to our global customers, even throughout the COVID-19 pandemic.

All AMI Kaolin and Attapulgite products are mined and processed in the United States. Our operations and production abilities remain strong. We are actively managing logistics to deliver products to our customers worldwide. At this time, no cases of COVID-19 have been reported in connection with any AMI employees worldwide.

Steps Taken to Prevent Supply Interruptions

Our internal Pandemic Response Team (PRT) is monitoring and reviewing COVID-19 guidance from the [Centers of Disease Control \(CDC\)](#), the [World Health Organization \(WHO\)](#) and other relevant government agencies. The PRT is also closely monitoring the impact of COVID-19 across our regions to help keep us prepared for the potential effects a widespread outbreak could have on our operations. We are committed to updating our stakeholders on any changes or potential impact it may have on our employees and businesses.

Last month AMI enacted its Pandemic Policy to its Asian operations and will now apply it this week to its US operations. Upon entering our mining and plant operations, all employees will have their temperatures tested. Those registering 100.1 or higher will be self-quarantined and will need a doctor's approval to return to work.

We are actively managing logistics to deliver products to our customers worldwide. AMI is proud of its in-spec, on-time delivery record and nimble ability to maintain operations and mitigate supply disruptions even in the face of natural disasters such as hurricanes. We will continue to work closely with customers and shipping partners to minimize any possible delay in delivery due to the current pandemic.

Our US-based and Asia-based customer service teams are ready, as always, to assist with customer challenges. While the present situation is new and unique, we believe our manufacturing and logistics capabilities keep us well positioned to work through challenges and to assist in customers' plans to maintain their operations.

Despite our best efforts there are several things outside our control. Therefore we strongly encourage our customers to be diligent in keeping higher than normal inventories as a proactive measure in case of any supply chain disruptions.

AMI updated its travel policy and business practices. The following will be in place until further notice:

- NO AMI employee business-related travel outside of their country of residence to China, Iran, South Korea, Italy (CDC Warning Level 3 countries) or Japan (CDC Warning Level 2 country).
- All non-essential travel (e.g., team meetings, internal training, conferences) should be cancelled, shifted to virtual meetings or delayed until we provide further guidance.
- Reducing face-to-face meetings in favor of virtual meetings. Business meetings will be assessed to determine if the individuals participating in the meeting are comfortable with a face-to-face meeting, or if they prefer a virtual meeting.
- AMI employees have been offered telecommuting options, when possible.
- We encourage employees, customers, and partners to exercise caution and take all appropriate health and safety measures.

Logistic Challenges

Export Orders:

Over the past few weeks AMI has seen continual vessel schedule changes and fewer rotations due to a greater increase in blank sailings, omissions of service to ports and short notices of alternative sailings due to the impact of COVID-19 coupled with tariff pressures. This has affected our ability to meet requests for shipments to arrive as soon as possible. In addition, vessel lead times are exceeding the typical 6 to 10 weeks and booking security is not guaranteed as the planned sailing may or may not occur. While we are facing no constraints on our production process, most export orders entered today are now looking at April ETDs based on available vessel space and sailings and it is increasingly more difficult to accommodate specific requested ETAs.

Domestic Orders:

In the US, trucking, rail, and other logistic services could be impaired in the coming weeks.

Customer Inventory:

AMI encourages all customers to increase inventory above normal levels. We will make every attempt to meet customer requirements but may not be able to meet a request for expedited shipping due to lack of shipping availability. As your partner, AMI is committed to providing the most cost effective and timely logistics.

The COVID-19 situation remains very dynamic and we will provide updates as we learn more. We are confident in our PRT and AMI Operations' ability to manage our response. AMI is committed to delivering the superior service and support that our customers expect throughout this situation. Should you have additional questions, please contact your Sales or Customer Service Representative so we can ensure a prompt answer.